OFFSHORE ISLANDS THIS DOCUMENT CONTAINS CODE WORD MATERIAL NSA Declassification/Release Instructions on File.

proved For Release 2001/08/31 : CIA-RDP80R01443R0003000

## Approved For Release 2001/08/31 NODAIRDP80R01443R000300080012-9

NSC BRIEFING

13 October 1954

## OFFSHORE ISLANDS

- I. Reduced Communist shelling of Quemoys
  last week (under 100 rds. a day). Most
  on Little Quemoy, where civilians now
  have housing problem (400-600 homes
  destroyed).
  - A. Communist practicing landings
    near Amoy--may be rehearsal or
    show of strength.
  - B. Nationalists claim "urgent" work on road from Shihshih to Weitou, which good jump-off point.
  - C. Fukien troops told they "expected inflict greater blows" on Nationalists, "strive for greater victories."

## Approved For Re sase 2000 USB RETA-REPORT 14-3R000300080012-9

- D. Two nearest jet fighter units

  (at Nanchang and Canton)

  maintaining advanced readiness.
- II. Nationalists at Quemoy have not attacked mainland targets since 28 September.
  - A. Taipei press claims US advised suspension: complains Communists thus have new "Yalu sanctuary" in Fukien, Formosa "re-neutralized."
  - B. Statements could lead to Peiping attack in belief US anxious avoid hostilities.
  - C. Danger could increase if Communists spot US force reduction in area.
- III. At Tachens, Communists continue air patrols: some shelling of Ichiang.
  - A. Still no signs of troop assembly, although could be done with

Approved For Release 200 1/06/3 1014 PEP80R01443R000300080012-9

## 

- B. Large air base being built
  at Chuhsien (225 miles southwest of Shanghai). When
  completed (mid-November),
  more jets can be based near
  Tachens: also able reach all
  of offshore islands, Formosa
  as well.
- IV. Nationalist navy at Tachens more aggressive. 10 Oct., two Nationalist DE's sank two Communist patrol vessels (escorting nine junks), damaged several of convoy.
  - V. No significant reports concerning Matsus.